(d) what is the total demand of cement in the country, State-wise;

(e) what is the total shortage *vis-a-vis* production; and

(f) what steps are being taken to prevent sale of cement in black markets?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) The production and dispatches of cement have been increasing every year. As per the Cement Manufacturers' Association, the total production of cement was 127.57 million tonnes, 141.81 million tonnes and 155.66 million tonnes in 2004-05, 2005-06 and 2006-07 respectively. However, a spurt in the prices of cement is indicative of a mismatch between demand and supply.

(c) Details regarding cement production and off-take are as under:-

(Mn.t.)

| | Cement Production | | | Off-take |
|---|---|---|---|---|
| | Public Sector | Private Sector | Total | |
| 2006-07 | 2.63 | 153.03 | 155.66 | 149.33 |

(d) and (e) State-wise information about demand for cement is not maintained and accordingly information regarding shortage is not quantifiable.

Import duty on cement has been reduced from 12.5% to Nil. Countervailing duty and special additional customs duty on cement have also been removed. Further, MMTC Ltd., a Public Sector Enterprise, has been given a special dispensation to import cement under the provisions of Cement (Quality Control) Order, 2003 to enable early availability of significant quantities of imported cement in the market.

**FDI in Agriculture**

1058. SHRI SYED AZEEZ PASHA:
SHRI K.E. ISMAIL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether Government are considering a proposal to allow Foreign Direct Investment (FDI) in agriculture sector; and

(b) if so, the details, thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) As per the extant policy FDI up to 100% is permitted under the automatic route in the under-mentioned activities *viz.,* Floriculture, Horticulture, Development of Seeds, Animal Husbandry, Pisciculture, Aqua-culture and Cultivation of Vegetables & Mushrooms, under controlled conditions and services related to agro and allied sectors. FDI up to 100% with prior Government approval is permitted in Tea plantation subject to the conditions of divestment of 26% equity of the company in favour of an Indian partner/Indian public within a period of 5 years; and prior approval of the State Government concerned in case of any future land use

change. Besides these two, FDI is not allowed in any other agricultural sector/ activity.

**Permission to foreign companies for retail business**

†1059. SHRI UDAY PRATAP SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether permission is being granted to the foreign companies by Government to enter into the retail business in India;

(b) if so, whether Government's attention has been drawn towards its effects on the domestic retail business; and

(c) the steps taken to prevent tne neglect of domestic retail products and work force by the multinational companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) No Foreign Direct Investment (FDI) is allowed in retail sector except FDI in retail trade of 'Single Brand' products, where FDI up to 51% is allowed with prior Government approval. So far 17 approvals have been given for FDI in 'Single Brand' products.

(b) Government has imposed suitable safeguards against adverse impact on small traders by allowing FDI only in retail of 'Single Brand' products.

(c) FDI in Single Brand product retailing would *inter-alia,* encourage production and marketing, and increased sourcing of goods from India. Products sold under Single Brand Retail with FDI cater to the brand-conscious, young, middle class clientele having a different niche as compared to that served by the small traders and is not expected to adversely affect the existing small traders and workforce employed therein.

**Overlap in the role of Tariff Commission and Chief Advisor Cost**

1060. SHRI RAHUL BAJAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a significant overlap in the roles of the Tariff Commission under Ministry of Commerce and Chief Advisor Cost in Department of Revenue; and

(b) if so, whether Government would merge the two or eliminate one of them?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) No, Sir.

(b) Does not arise.

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†Original notice of the question was received in Hindi